



Vermont Tobacco Evaluation and Review Board

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To: Senator Susan Bartlett, Chair, Senate Committee on Appropriations
From: Brian S. Flynn, ScD, Chair, Tobacco Evaluation and Review Board
Re: Follow-Up on Funding for Comprehensive Tobacco Control Programs FY 2010
Date: March 31, 2009

The Tobacco Evaluation and Review Board presented the case for level funding of the state's comprehensive tobacco control program through our memos of February 18 and March 17, testimony to the Senate Health and Welfare Committee on February 5, and testimony to your Committee on March 25. The case is based on importance of the problems caused by tobacco and evaluative data demonstrating substantial progress in reducing harm from tobacco in Vermont.

Committee members asked at the March 25 hearing about components of the comprehensive programs that might be reduced if necessary. My strong preference would be to use the Tobacco Evaluation and Review Board process for making allocation decisions among program components as outlined in Title 18, Chapter 225. Several additional points for consideration in appropriation decisions follow on this position.

- If budget reductions are unavoidable they should be minimized to avoid disrupting the progress we are now seeing in reducing smoking rates.
- If reductions are unavoidable the budget should not be burdened with mandated component cuts or earmarks; the Board should make program changes based on evaluative data and program priorities.
- If reductions are unavoidable, they should be distributed across the multiple programs supported by MSA funds (see attached list). The comprehensive tobacco control program has proved that it can make changes that benefit health and reduce health care costs. The program is evidence-based and methodically evaluated to ensure that funds are invested effectively. It should not be singled out for a targeted reduction among the programs supported by MSA funds.

We appreciate the opportunity to present these additional points. The costs of tobacco use fall disproportionately on lower income and other vulnerable populations. Investments in tobacco control are especially beneficial to these groups, as well as the state as a whole.

FY09 Total Master Settlement Agreement (MSA) Funds Distribution and Tobacco Taxes Distribution

	Agency/Program	Amount	Source
Tobacco Control:	Department of Health	\$ 3,839,634.00	MSA
	Department of Education	\$ 995,668.00	MSA
	Department of Liquor Control	\$ 289,645.00	MSA
	Tobacco Evaluation & Review Board	\$ 100,000.00	MSA
Health care (Medicaid):	Vermont Health Access Program (VHAP)	\$ 37,790,801.00	MSA
Health care (Catamount):	Vermont Health Access Program (VHAP)	\$ 9,904,500.00	Tobacco Taxes*
Health care (State Health Care Resources Fund)	SHCRF	\$ 53,995,500.00	Tobacco Taxes*
Enforcement:	Attorney General	\$ 290,000.00	MSA
	Department of Taxes	\$ 58,000.00	MSA
Drug and Alcohol:	Dept of Health (ADAP):	\$ 2,382,834.00	MSA
	Youth Treatment	\$ 114,174.00	MSA
	Opiate Treatment	\$ 487,509.00	MSA
	New Directions coalitions	\$ 246,064.00	MSA
	Student Assistance Program (SAP)	\$ 1,058,073.00	MSA
	Opiate Treatment (FY02 shortfall)	\$ 265,000.00	MSA
	DETER	\$ 811,845.00	MSA
	Resident Treatment Facilities	\$ 700,000.00	MSA
	Global Commitment Redirect	\$ (1,299,831.00)	MSA
Drug and Alcohol:	Department of Corrections	\$ 87,500.00	MSA
Runaway youth:	Department of Children and Families	\$ 75,000.00	MSA
Human Services:	Agency of Human Services:	\$ 512,021.00	MSA
	CHINS	\$ 200,021.00	MSA
	Comprehensive Treatment	\$ 100,000.00	MSA
	Safe Housing	\$ 15,000.00	MSA
	People in Partnership	\$ 143,000.00	MSA
	Project vs. Violent Encounters (PAVE)	\$ 54,000.00	MSA
Judiciary	Drug Court:	\$ 40,000.00	MSA
*Tobacco Taxes: \$63,900,000 projected for FY09			
Summary:			
Total Tobacco \$\$ (FY09 Estimate):		\$ 103,747,903.00	
Healthcare:		\$ 101,690,801.00	
Tobacco Control:		\$ 5,224,947.00	
Drug and Alcohol:		\$ 2,832,834.00	
Enforcement:		\$ 348,000.00	
Other:		\$ 714,521.00	
TOTAL EXPENSES:		\$ 110,811,103.00	

Note: Total is higher than income projected because extra for Medicaid is coming from FY10 budget.